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Globalization and interdependence**Report of the Second Committee***

Rapporteur: Ms. Tamar Tchitanava (Georgia)

I. Introduction

1. The Second Committee held a substantive debate on agenda item 56 (see A/62/421, para. 2). Action on sub-item (a) was taken at the 25th and 32nd meetings, on 8 November and 7 December 2007. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/62/SR.25 and 32).

II. Draft resolutions A/C.2/62/L.25 and A/C.2/62/L.60

2. At the 25th meeting, on 8 November, the representative of Pakistan, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Role of the United Nations in promoting development in the context of globalization and interdependence" (A/C.2/62/L.25), which read:

"The General Assembly,

"Recalling its resolutions 53/169 of 15 December 1998, 54/231 of 22 December 1999, 55/212 of 20 December 2000, 56/209 of 21 December 2001, 57/274 of 20 December 2002, 58/225 of 23 December 2003, 59/240 of 22 December 2004, 60/204 of 22 December 2005 and 61/207 of 20 December 2006 on the role of the United Nations in promoting development in the context of globalization and interdependence,

"Recalling also the 2005 World Summit Outcome and all relevant General Assembly resolutions, in particular those that have built upon the 2005 World Summit Outcome, in the economic, social and related fields, including

* The report of the Committee on this item will be issued in four parts, under the symbol A/62/421 and Add.1-3.



General Assembly resolution 60/265 of 30 June 2006 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

"Reaffirming the resolve expressed in the United Nations Millennium Declaration to ensure that globalization becomes a positive force for all the world's people,

"Recognizing that globalization, driven largely by economic liberalization and technology, implies that the economic performance of a country is increasingly determined by factors outside its geographical borders and that the equitable sharing of the benefits of globalization requires managing the processes of globalization through a strengthened global partnership for development to achieve the internationally agreed development goals, including the Millennium Development Goals,

"Reaffirming the central role of the United Nations in promoting international cooperation for development and in promoting policy coherence on global development issues, including in the context of globalization and interdependence,

"Reaffirming also the importance of migration as a phenomenon accompanying increased globalization, including its impact on economies, and underlines the need for greater coordination and cooperation among countries as well as relevant regional and international organizations,

"1. *Takes note* of the report of the Secretary-General;

"2. *Recognizes* that while some countries have successfully adapted to the changes and benefited from globalization, many others, especially the least developed countries, have remained marginalized, and that benefits are very unevenly shared, while costs are unevenly distributed;

"3. *Also recognizes* that economic liberalization has unleashed market forces that have a significant impact, in particular in developing countries, on the degree of flexibility countries have in shaping national policies, and that international commitments, policies and processes have a great impact on the scope and implementation of national development strategies;

"4. *Underlines* that countries face many challenges as they endeavour to balance their international obligations with their national priorities, particularly in an environment where they are all intricately linked, and that developing countries, in particular countries with small and vulnerable economies, such as the least developed countries, landlocked developing countries, small island developing States and African countries, are increasingly constrained, and their ability to have bold and goal-oriented national strategies is impeded by some of the demands of international obligations, processes and rules;

"5. *Also underlines* the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations,

that it is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space, and that it is particularly important for developing countries that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments;

"6. *Calls for* enhancing policy space for developing countries and ensuring flexibility in international regimes, especially in core areas of rules, through operational and meaningful special and differential treatment and the adoption of practical and concrete solutions to the outstanding implementation-related issues and concerns raised by developing countries;

"7. *Emphasizes* the need to enhance the fiscal policy space of developing countries as an instrument for achieving sustained economic growth and poverty eradication;

"8. *Urges* the United Nations Conference on Trade and Development to continue refining and operationalizing the concept of policy space as articulated, inter alia, in the São Paulo Consensus and the 2005 World Summit Outcome;

"9. *Reaffirms* that each country has primary responsibility for its own development, that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development and that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

"10. *Welcomes* the fact that developing countries have repeatedly stressed their commitments to their international duties and obligations, but emphasizes the need for a global consensus that international rules and disciplines should take into account lessons learned and emerging realities in implementation in this regard, and reiterates the need to avoid formulating and implementing rules and regimes that erode policy space;

"11. *Recognizes* that developing countries need policy space and flexibility to pursue development strategies that are compatible with their specific development conditions;

"12. *Stresses* that developing countries need to maintain their right to development by retaining policy space to pursue policies based on their unique social, political, economic and environmental conditions;

"13. *Reaffirms* that good governance at the international level is fundamental for achieving sustainable development, that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance by addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries and that to this end the international community should take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a

comprehensive solution to the external debt problem and increasing the market access of developing countries;

"14. *Strongly stresses* that national planning capacity, in particular in developing countries, and the level of participation of developing countries in the international decision-making process need to be strengthened in order to enhance the ability of those countries to cope with external forces and the implementation of agreements and norms adopted at the international level while pursuing their development goals;

"15. *Calls for* all relevant international trade and financial institutions, while formulating and implementing policies, rules and regulations, to take into account the special needs of developing countries in order to create an enabling international economic environment to sustain growth and broad-based development;

"16. *Reaffirms* the commitment to broaden and strengthen the voice and participation of developing countries in international economic decision-making and norm-setting, and stresses the need for continuing efforts to reform the international financial architecture, including expeditiously concluding, in a time-bound manner, the issue of enhanced voting power of developing countries in the Bretton Woods institutions;

"17. *Also reaffirms* the importance of reform not only of individual intergovernmental institutions, but also of international structures and regimes that hamper rather than promote development;

"18. *Further reaffirms* the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and the coherence, coordination and implementation of development goals and actions agreed upon by the international community, and resolves to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development in developing countries;

"19. *Calls upon* the United Nations system to support the efforts of developing countries to enhance their capacities regarding the impact of international agreements on national development strategies, including by sharing experiences so that countries can learn how national development strategies can be designed and implemented with flexibility to meet changing domestic and external circumstances, and to respond to such challenges;

"20. *Also calls upon* the United Nations system to help strengthen developing countries' institutional capacity to effectively cope with the implications of external macroeconomic and trade policies for national development strategies;

"21. *Takes note* of the initiatives of Member States to convene events in follow-up to the High-level Dialogue on International Migration and Development, held in New York on 14 and 15 September 2006, including, inter alia, the State-led initiative, the Global Forum on Migration and Development, to be hosted by the Government of the Philippines in 2008;

"22. *Requests* the Secretary-General to submit to the General Assembly at its sixty-third session a report on the theme Impact of globalization on the achievement of the internationally agreed development goals, including the Millennium Development Goals under the item entitled 'Globalization and interdependence.'"

3. At the 32nd meeting, on 7 December, the Committee had before it a draft resolution entitled "Role of the United Nations in promoting development in the context of globalization and development" (A/C.2/62/L.60), submitted by the Vice-Chairman of the Committee, Hassan Ali Saleh (Lebanon), on the basis of informal consultations held on draft resolution A/C.2/72/L.25.
4. At the same meeting, the Committee was informed that the draft resolution had no programme budget implications.
5. Also at the same meeting, the representative of the Philippines, in his capacity as facilitator, orally corrected the draft resolution.
6. At the same meeting, the Committee adopted draft resolution A/C.2/62/L.60, as orally corrected (see para. 8).
7. In the light of the adoption of draft resolution A/C.2/62/L.60, draft resolution A/C.2/62/L.25 was withdrawn by its sponsors.

III. Recommendation of the Second Committee

8. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Role of the United Nations in promoting development in the context of globalization and development

The General Assembly,

Recalling its resolutions 53/169 of 15 December 1998, 54/231 of 22 December 1999, 55/212 of 20 December 2000, 56/209 of 21 December 2001, 57/274 of 20 December 2002, 58/225 of 23 December 2003, 59/240 of 22 December 2004, 60/204 of 22 December 2005 and 61/207 of 20 December 2006 on the role of the United Nations in promoting development in the context of globalization and interdependence,

Recalling also its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

Recalling further the 2005 World Summit Outcome¹ and all relevant General Assembly resolutions, in particular those that have built upon the 2005 World Summit Outcome, in the economic, social and related fields, including General Assembly resolution 60/265 of 30 June 2006 on follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

Emphasizing the need to fully implement the global partnership for development and enhance the momentum generated by the 2005 World Summit in order to operationalize and implement the commitments made in the outcomes of the major United Nations conferences and summits, including the 2005 World Summit, in the economic, social and related fields,

Reaffirming that development is a central goal by itself and that sustainable development in its economic, social and environmental aspects constitutes a key element of the overarching framework of United Nations activities,

Recognizing that all human rights are universal, indivisible, interdependent and interrelated,

Reaffirming that the United Nations has a central role in promoting international cooperation for development and in promoting policy coherence on global development issues, including in the context of globalization and interdependence,

Reaffirming also the resolve expressed in the United Nations Millennium Declaration² to ensure that globalization becomes a positive force for all the world's people,

¹ See resolution 60/1.

² See resolution 55/2.

Recognizing that globalization, driven largely by economic liberalization and technology, implies that the economic performance of a country is increasingly affected by factors outside its geographical borders and that maximizing in an equitable manner the benefits of globalization requires developing responses to globalization through a strengthened global partnership for development to achieve the internationally agreed development goals, including the Millennium Development Goals,

Reaffirming the commitment to eradicate poverty and hunger and promote sustained economic growth, sustainable development and global prosperity for all and to promote the development of the productive sectors in developing countries to enable them to participate more effectively in and benefit from the process of globalization,

Reaffirming also its strong support for fair globalization and the need to translate growth into reduction of poverty and, in this regard, its resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of relevant national and international policies as well as national development strategies, including poverty reduction strategies, as part of efforts to achieve the Millennium Development Goals,

Noting that particular attention must be given, in the context of globalization, to the objective of protecting, promoting and enhancing the rights and welfare of women and girls, as stated in the Beijing Declaration and Platform for Action,³

Reaffirming its commitment to governance, equity and transparency in the financial, monetary and trading systems and its commitment to open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial systems,

Reaffirming also the importance of migration as a phenomenon, among others, accompanying increased globalization, including its impact on economies, aware of the fact that all countries are impacted by international migration, and hence stressing the crucial importance of dialogue and cooperation so as to better understand the international migration phenomenon, including its gender perspective, and to identify appropriate ways and means to maximize its development benefits and minimize its negative impacts,

1. *Takes note* of the report of the Secretary-General;⁴
2. *Recognizes* that some countries have successfully adapted to the changes and benefited from globalization, but that many others, especially the least developed countries, have remained marginalized in the globalizing world economy, and also that, as stated in the Millennium Declaration,² the benefits are very unevenly shared while costs are unevenly distributed;
3. *Also recognizes* that domestic economies are now interwoven with the global economy and that globalization affects all countries in different ways, and that countries on the one hand have trade and investment opportunities to, inter alia, fight poverty, while on the other face constraints in the degree of flexibility they have in pursuing their national development strategies;

³ *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annexes I and II.

⁴ A/62/303.

4. *Further recognizes* that, while all countries face such constraints, developing countries, in particular the least developed countries, landlocked developing countries, small island developing States and African countries, have greater difficulties in balancing international obligations, processes and rules with their national development strategies;

5. *Underlines* that, in addressing the linkages between globalization and sustainable development, particular focus should be placed on identifying and implementing mutually reinforcing policies and practices that promote sustained economic growth, social development and environmental protection and that this requires efforts at both the national and international levels;

6. *Also underlines* the fact that the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations, that it is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space and that it is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments, and in this regard notes with appreciation the work of the United Nations Conference on Trade and Development on the concept of policy space, as articulated in the São Paulo Consensus⁵ and the World Summit Outcome¹;

7. *Reaffirms* that good governance is essential for sustainable development, that sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation, and that freedom, peace and security, domestic stability, respect for human rights, including the right to development, and the rule of law, gender equality, market-oriented policies and an overall commitment to just and democratic societies are also essential and mutually reinforcing;

8. *Also reaffirms* that good governance at the international level is fundamental for achieving sustainable development, that, in order to ensure a dynamic and enabling international economic environment, it is important to promote global economic governance through addressing the international finance, trade, technology and investment patterns that have an impact on the development prospects of developing countries and that, to this end, the international community should take all necessary and appropriate measures, including ensuring support for structural and macroeconomic reform, a comprehensive solution to the external debt problem and increasing the market access of developing countries;

9. *Further reaffirms* that each country has primary responsibility for its own development, that the role of national policies and development strategies cannot be overemphasized in the achievement of sustainable development and that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries,

⁵ TD/412, part II.

while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

10. *Underlines* that, while recognizing the commitment of developing countries to their international duties and obligations, internationally agreed rules and disciplines should take into account lessons learned and current developments in implementation in the light of the special situation of developing countries, and in this regard reiterates the need for continuing flexibility and special provisions for developing countries as international financial and trade institutions formulate and implement rules and regulations to create an enabling international economic environment for sustained growth and broad-based development;

11. *Stresses* that all countries need to maintain their right to pursue policies based on their social, political, economic and environmental conditions and that, in this regard, countries, in particular developing countries, need flexibility and national policy space that are compatible with their specific development conditions, taking into account international obligations, processes and rules;

12. *Acknowledges* the need for continuing flexibility and special provisions for developing countries in the multilateral trading system;

13. *Reaffirms* the commitment to broaden and strengthen the participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting, stresses, to that end, the importance of continuing efforts to reform the international financial architecture, noting that enhancing the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions remains a continuous concern, and calls in this regard for further and effective progress;

14. *Also reaffirms* the need for the United Nations to play a fundamental role in the promotion of international cooperation for development and the coherence, coordination and implementation of development goals and actions agreed upon by the international community, and resolves to strengthen coordination within the United Nations system in close cooperation with all other multilateral financial, trade and development institutions in order to support sustained economic growth, poverty eradication and sustainable development;

15. *Calls upon* the United Nations system to support the efforts of developing countries to enhance their capacities regarding the impact of international agreements on national development strategies;

16. *Requests* the Secretary-General to submit to the General Assembly, at its sixty-third session, a report on the theme "Impact of globalization on the achievement of the internationally agreed development goals, including the Millennium Development Goals" under the agenda item entitled "Globalization and interdependence";

17. *Decides* to include in the provisional agenda of its sixty-third session, under the item entitled "Globalization and interdependence", the sub-item entitled "Role of the United Nations in promoting development in the context of globalization and interdependence".